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QUALITYDIGEST



by **Subir Chowdhury**

*In his new book *The Ice Cream Maker* (Currency Doubleday, October 2005), quality consultant Subir Chowdhury tells the simple yet compelling story of a regional ice cream manufacturer that's on the verge of closure but remains determined to sell its ice cream to a flourishing national grocery chain, Natural Foods. The story illustrates what businesses must do to instill quality into every product they design, build and market.*

In the following excerpt, the beleaguered plant manager of Dairy Cream, Peter Delvecchio, reaches out to his former neighbor Mike McMaster of Natural Foods, who has a magical influence on him. Through an engaging series of conversations, Chowdhury reveals how Mike helps Peter enable Dairy Cream to rise from the ashes, driving home the point of building quality in every aspect of organizational culture.

"I have to ask," Mike went on, "is quality really the driving force behind your brand? Does it really shape everything you do?"

I could only bite my lip, embarrassed.

"I think the reason you're so upset that we don't buy your ice cream," he continued, in a surprisingly direct manner, "is not because you feel our customers are missing out on how wonderful your ice cream is, but because you are missing out on selling to more customers. You're amazed that we don't agree with your criteria, or your results.

"Pete, if I may," he said, speaking softly, "you're a bright guy, a decent guy from a good family. I'm sure you spend a lot of time at your factory worrying about how to improve the quality of your ice cream and increase your factory's productivity so that you can reduce costs and offer more competitive prices. You clearly have pride in what you do.

"But you don't seem to know where to begin in thinking about what quality is and how you can improve it. You're dying to make this sale. I understand that. But your people have never asked us what we want or what our customers want. You haven't asked how you could help Natural Foods or our guests. Your focus is on selling your ice cream and not much else.

"I'm not surprised," Mike continued. "What you do at Dairy Cream is similar to what so many companies in our country do. Let me tell you something that Glen Goodwill explained to me years ago, when he was first creating Natural Foods. When it comes to innovation--coming up with great new products or technology or ideas--American companies are the best in the world, hands down. Innovation is part of our DNA. That's not true in other countries. But when it comes to quality, to the constant, continual daily efforts to improve a product or service, to really ensure that it meets exacting standards every time, and thereby build lasting loyalty, we falter.

"It's like the story of the tortoise and the hare--and we're the hare, leading the race with our innovations. But eventually the tortoise catches up, just as your competitors catch up to your new flavors and pass you by with constant, incremental improvements, simply because they make quality the priority in everything they do.

"The fact is, as Glen pointed out to me, quality is just not part of our DNA. And it *is* part of the DNA of companies in Japan and has gradually become part of the makeup of Korean companies. As a result, we're constantly creating new products, and new markets, only to lose them to other companies. American companies find themselves on a treadmill, constantly having to come up with new innovations in order to stay ahead of our competition. Did you know that America created the global positioning system in cars? We invented the transistor, the computer chip, the airplane--so much of the stuff that is a part of our lives. And yet we lose most of those markets as fast as we create them.

"To bring this back to earth, you guys at Dairy Cream are constantly outsmarting your competitors by coming out with snazzy new ice cream flavors. But because you don't make the effort to find out what we, the customers, want in terms of quality, your competitors end up eating your lunch."

I felt humiliated. I could tell I was near tears--unbelievably, to me, for I was a pretty stoic guy. I only hoped he'd stop.

"I'm sorry," he said. "But I'm a lot older and hopefully a little wiser. I've already made the mistakes you're making now. At Natural Foods, *quality* is at the heart of everything we do. We're the exception in our niche--where everyone else seems intent to chase the latest trend--and that's why we've been so tremendously successfully."

"Mike," I finally said, the knot in my stomach urging me to come clean. "I need help. The fact is, we're in trouble. If I can't help us find a way to increase revenues and profits--and soon!--Malcolm Jones, our owner, has threatened to fire the current management team, or sell off the whole company. Either way, I'm out of a job and our scores of employees are out of work. Malcolm has charged me with shaking things up, and I don't know what to do--I just don't know how to turn things around at Dairy Cream. I've got a wife and two kids. I'm embarrassed to ask this of you, when I haven't seen you in so long, but I need your help. You seem to have found a way to do this. Tell me what I can do to make *quality* part of our culture, too."

Mike looked at me thoughtfully. Then he nodded his head. "If you're looking for help selling your ice cream, we might as well go to the source. Natural Foods is built on the idea of excellence, and excellence starts with helping others as much as you can--every day. Excellence isn't a task or chore we perform to sell something. It's a passion to help others that restores us in the process. Until you understand that, you'll never change your thinking, or increase your sales. The first step, my friend, is to start talking to and taking care of the people who have taken care of you. Let me ask you something. You've been worried about how things have been going for awhile, right?"

I nodded, numbly.

"One place to start--have you talked about your concerns with your closest advisor and consumer--your wife?"

I shook my head, suddenly embarrassed.

"Listen, I've got to tackle a few things here this afternoon. But I've got some time in the morning. Why don't you drop by before we open, at say 7, and I'll give you a few pointers on how to get started. Improving quality won't happen overnight--it'll take work. But I think I can give you some suggestions on how to get the ball rolling--and get your owner off your back."

I didn't sell any ice cream that day, but that no longer seemed quite so important.

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